



CITY OF BELL NEWS RELEASE

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The City of Bell Continues to Move Forward Committed to a Rebuild and Reform Campaign

State Controller's Office Releases a Follow-up Review to Its Initial 2010 City of Bell Audit

(Bell, CA – May 22, 2013) -- Today the City of Bell will receive the final "Follow Up Review" audit report conducted by the California State Controller's Office (SCO) of the City of Bell and its current condition.

The detailed report outlines a series of recommendations intended to further strengthen the City's ongoing effort to rebuild and reform its administrative processes as well as mitigations to address the still lingering impacts of the corrupt former administration. The findings also provide the SCO's view of the current fiscal challenges before the City of Bell.

"We appreciate the work and recommendations provided by the State Controller's Office", stated Bell City Mayor Violeta Alvarez. "The SCO's work is a snap shop –an important perspective which we will include in our analysis and legislative decisions. These findings, coupled with the numerous audits conducted by other reputable public agencies, as well as the City's own auditors, have functioned as a blue print – a guide in our journey toward reform. We believe the City of Bell has a pathway out of its current financial condition; it involves continued hard work at all levels of our local government, and a commitment to transparency and good government".

As background, the initial SCO audit was conducted at the request of the City in the fall of 2010. It was intended to shed light on the City's true fiscal condition following the ouster of its former city administrator Robert Rizzo. The City purposefully sought out the assistance of the SCO, a trusted source, at a time when it had little credible information about its condition and the organization was in a

state of confusion and disarray. The SCO's finding became a City blue print of its condition, and more importantly, functioned as a guide on the City's path towards transparency and reform.

Within the near three year span since the first audit was published, the City of Bell has made great strides in its rebuild campaign which has been shaped, in part, by the recommendations of the SCO. During this time, other public agencies have also conducted numerous audits on the City's condition at a County, State, and Federal level. In its continued pursuit of reform and transparency, the City has also acted on and incorporated many of these recommendations.

The recommendations provided by these trusted and distinct agencies, have helped shape the new City of Bell. Today, the City of Bell administration is under the leadership of a new City Council and new leadership. Its new and permanent city manager and department directors are committed implementing the Council's legislative reforms and policies.

As outlined in the SCO report, there is still much work to be done in the City of Bell. While the organization survived the Rizzo Scandal of 2010, its impact has left a lasting impression. Similar to a natural disaster, rebuilding is a direct function of the strategic marshalling of resources targeted for its recovery.

The SCO has also outlined challenges before the City, including a looming "fiscal crisis". The City is well aware of the financial hurdles in its path. However, there is a strategy in place which addresses a number of the SCO's concerns. The strategy involves pending mitigations which are unaccountable at the time of the audit's publication. City officials are working tirelessly through the courts system to receive financial settlements and restitution, and in the process of selling property, and working around the clock to put the City back in good financial standing.

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